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October 8, 2004

Mr. Arthur L Williams
Director
Louisville Metro Air Pollution Control District
850 Barret Avenue
Louisville, KY 40204-1745

SUBJECT: Informal Comments on the Proposed STAR Program

Dear Mr. Williams:

With this letter, Texas Gas Transmission, LLC (Texas Gas) is providing informal comments on the Strategic Toxic Air Reduction (STAR) program recently proposed by the District. It is our understanding that the District has only sought "informal" comments at this time and that the public will have a formal comment period during which additional comments can be submitted.

At this point in time, Texas Gas questions the necessity of a specific air toxics program for the Louisville Metro area. The Clean Air Act Amendments of 1990 mandated that US EPA develop a federal program to address air toxics (hazardous air pollutants in federal terms). EPA developed regulations to implement this mandate (codified as 40 CFR 63). As part of the federal program, EPA designated 91 source categories for regulation under the National Emission Standards for Hazardous Air Pollutants (NESHAP) program. Extensive study went into the development of the source category listings in an attempt to control most sources of HAP. EPA then developed and promulgated emission standards for each source category. The first of these emission standards were promulgated in 1993, with the most recent being promulgated less than a month ago.

Of the 91 final NESHAP's, there are 48 that have compliance dates during 2004 or later. This means that there should be substantial reductions in air toxic emissions from the federal regulations during the next 3 years or so. Any reductions achieved after 2003 would not be reflected in the West Jefferson County Community Task Force study that forms the basis for the entire STAR program. EPA estimates that air toxic emissions will be reduced by about 1.5 millions tons per year nationwide due to the NESHAP program. Some of these reductions will undoubtedly occur in the Louisville Metro area.

Rather than attempt to develop and implement a local air toxics program during the next three years, Texas Gas would advocate allowing the federal program to do its job. Due to the large number of NESHAP's that have been promulgated in the last year or two and have compliance dates between 2005 and 2007, we strongly suspect that the Louisville Metro area will see a reduction in ambient air toxic concentrations without additional local measures.

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In addition to the current standards that generally apply to major sources of HAP, EPA is undertaking the development of emission standards for area sources of HAP (non-major sources). There are currently 70 source categories that have been identified by EPA to regulate area sources through additional NESHAP's. There are also additional EPA programs beyond the major source and area source NESHAP programs that are designed to identify and solve air toxics concerns across the country, including some that target urban areas and "hotspots".

The bottom line, in our opinion, is that Congress (through the Clean Air Act Amendments) and the US EPA (through the NESHAP programs and the National-Scale Air Toxic Assessment) have addressed the problems with air toxics in the United States. Considerable resources have been applied to these federal solutions. A methodical, thorough, scientific approach has been developed and followed consistently across source categories. And we are just beginning to see some of the significant impacts (in the form of air toxic emission reductions) from all of these years of effort. We believe that the Louisville Metro area will be well served by these federal programs and that the most sensible approach would be to let them work. Further ambient monitoring studies can be conducted to track the progress being made through the federal programs. Once the full impacts of the federal programs have realized, the District can assess, through monitoring data, if additional local measures will be required.

One additional concern with the draft STAR rules involves the timeline for submitting air toxics inventories and ambient impacts (risk levels). Pursuant to Regulation 1.06, Section 4.2.1.1, Texas Gas would be required to submit detailed emission estimates and other data by July 15, 2005, for Category 1 TACs. Considering that an official public notice has not yet been published for the draft rules, we find this schedule to be aggressive. With all of the necessary steps built into the rulemaking process and the likely public/industry interest that will be generated, it seems that having final regulations before Spring 2005 will be a significant challenge. We are concerned that there may not be adequate time between publication of any final regulations and the first milestone for Title V sources. It is important to note that the level of detail and the range of pollutants addressed by the STAR program goes beyond the typical emission inventories that we have performed for our Jeffersontown Station as well as other stations on our system. Therefore, some time and consideration will likely be required to obtain data of a quality sought by the District.

Texas Gas appreciates the opportunity to informally comment on the STAR program and we hope that you will carefully consider the merits of these comments. We would be happy to meet with you to discuss them in more detail if you would find that helpful. If you have any questions, please contact me at (270) 688-6957.

Sincerely,

Darrell Morgan
Environmental Specialist